

Program 22-917: Severance Tax Dedication

Program Authorization: Article VI, Section 4 (D) of the 1974 La. Constitution

PROGRAM DESCRIPTION

This constitutional dedication provides that a portion of the severance taxes collected is returned to the parishes from which the tax is collected. The tax is remitted to the governing authority of the parish in which severance or production occurs in accordance with the following allocations:

1. One-third ($1/3$) of the sulfur, but not to exceed \$100,000
2. One-fifth ($1/5$) of the severance tax on all natural resources other than sulfur or timber, but not to exceed \$750,000; and
3. Three-fourths ($3/4$) of the timber severance tax.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	29,832,545	27,400,000	27,400,000	36,000,000	36,000,000	8,600,000
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$29,832,545</u></u>	<u><u>\$27,400,000</u></u>	<u><u>\$27,400,000</u></u>	<u><u>\$36,000,000</u></u>	<u><u>\$36,000,000</u></u>	<u><u>\$8,600,000</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	0	0	0	0	0	0
Related Benefits	0	0	0	0	0	0
Total Operating Expenses	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Total Other Charges	29,832,545	27,400,000	27,400,000	36,000,000	36,000,000	8,600,000
Total Acq. & Major Repairs	0	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	<u><u>\$29,832,545</u></u>	<u><u>\$27,400,000</u></u>	<u><u>\$27,400,000</u></u>	<u><u>\$36,000,000</u></u>	<u><u>\$36,000,000</u></u>	<u><u>\$8,600,000</u></u>
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

This agency's recommended appropriation does not include any funds for short-term debt.

This agency does not have any long-term debt for Fiscal Year 2000-2001.

SOURCE OF FUNDING

The source of funding for this program is Statutory Dedicated severance tax revenue. (Per R.S. 39:32B.(8), see table below for a listing of expenditures out of each Statutory Dedicated Fund.)

	ACTUAL	ACT 10	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	1998-1999	1999- 2000	1999- 2000	2000 - 2001	2000 - 2001	OVER/(UNDER)
						EXISTING
Severance Tax Dedication	\$29,832,545	\$27,400,000	\$27,400,000	\$36,000,000	\$36,000,000	\$8,600,000

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$27,400,000	0	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$27,400,000	0	EXISTING OPERATING BUDGET – December 3, 1999
\$0	\$8,600,000	0	Other Adjustments - adjustment to reflect official projection set by the Louisiana Revenue Estimating Conference at its December 7, 1999 meeting and reaffirmed at its February 17, 2000 meeting
\$0	\$36,000,000	0	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$36,000,000	0	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$36,000,000	0	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 131.4% of the existing operating budget. It represents 100% of the total request (\$36,000,000) for this program. The recommended funding level reflects the official estimate of the Louisiana Revenue Estimating Conference.

PROFESSIONAL SERVICES

This program does not have any funding in Professional Services for Fiscal Year 2000-2001.

OTHER CHARGES

\$36,000,000 Severance Tax Dedication - constitutional dedication

\$36,000,000 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.